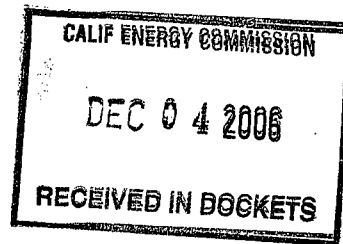


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STATE OF CALIFORNIA

Energy Resources
Conservation and Development Commission

In the Matter of:

CONTRA COSTA POWER PLANT
UNIT 8

DOCKET NO. 00-AFC-1C

PG&E'S PETITION FOR MINOR
AMENDMENT TO CLARIFY IT IS
THE SOLE OWNER OF THE
CONTRA COSTA POWER PLANT
UNIT 8 AND FOR NAME CHANGE

INTRODUCTION

On January 13, 2006 Mirant Delta LLC (Mirant) filed a petition to amend the License for the Contra Costa Power Plant Unit 8 (CC8) to extend the construction milestones, make four facility enhancements, and add Pacific Gas and Electric Company (PG&E) as a joint holder of the License to construct and operate CC8. As described in that petition, Mirant and PG&E had executed an Asset Transfer Agreement (ATA), which would allow PG&E the ability to acquire all of the CC8 assets. PG&E filed a verified statement that assured the California Energy Commission (Commission) that if it acquired the CC8 assets, it would comply with all the Conditions of Certification contained in the License and certain Statements of Understanding contained in Commission Staff's analysis of the petition. The Commission approved the petition on July 19, 2006.

PG&E and Mirant closed under the ATA on November 28, 2006. PG&E is now the sole owner of the CC8 assets and therefore requests that the Commission enter an

order recognizing that Mirant is no longer a joint holder of the License. In addition to the ownership change, PG&E requests the CEC approve a change in the project name.

NEED FOR THE AMENDMENT

At the time of the original Petition, which requested the addition of PG&E as a joint holder of the License, the ATA contemplated sharing of certain facilities and ancillary permits between Mirant and PG&E. Specifically, PG&E would rely on Mirant's authorization to withdraw water from the river. Since the July 19, 2006 Commission approval, Mirant and PG&E have amended certain requirements of the ATA in such a manner that there will not be the sharing of facilities that would require both Mirant and PG&E to be obligated under the License for compliance with its Conditions of Certification.

On November 28, 2006 the parties closed under the ATA as amended. Now, it is clear that PG&E is the sole owner of the power plant assets, is not a joint holder of any ancillary permit applicable to CC8, and will be solely responsible for compliance with the Conditions of Certification. PG&E will be filing a separate amendment to change the cooling technology, which will not involve the use of river water. PG&E therefore respectfully requests the Commission amend the License to remove Mirant as a joint holder. In support of this petition, we attach the following to demonstrate that PG&E is now the sole owner of the CC8 assets:

- Attachment 1, Bill of Sale
- Attachment 2, Improvements Grant Deed
- Attachment 3, Lease Agreement

In addition, PG&E conducted a contest among its employees to identify a new name for the facility. To that end, PG&E requests the Commission to approve changing the name from the Contra Costa Power Plant Unit 8 to Gateway Generating Station.

Dated: December 1, 2006

Scott A. Galati
Counsel to Pacific Gas and Electric Company

Attachments

Attachment 1 – Bill Of Sale

BILL OF SALE

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mirant Delta, LLC, a Delaware limited liability company, with its principal place of business at 696 West Tenth Street, Pittsburg, California 94565, and Mirant Special Procurement, Inc., a Delaware corporation, with its principal place of business at 1155 Perimeter Center West, Atlanta, Georgia, 30338-5416 (each a "Seller" and together the "Sellers"), hereby sell, transfer, convey, assign and deliver to Pacific Gas and Electric Company, a California corporation, with its principal place of business at 77 Beale Street, San Francisco, California 94105 ("Buyer"), free and clear of all Encumbrances other than Permitted Encumbrances, all of Sellers' right, title and interest in and to the Owned Equipment and the CC8 Records. Capitalized terms used herein but not defined have the meanings ascribed to such terms in that certain Amended and Restated Asset Transfer Agreement dated as of November 22, 2006, by and between the Sellers and Buyer (the "ATA").

Except to the extent otherwise provided in the ATA, Sellers hereby sell, transfer, convey, assign and deliver the Owned Equipment and the CC8 Records "AS-IS, WHERE IS," without any warranty, including as to condition, specification, usefulness, repair, or other characteristics, and SELLERS HEREBY EXPRESSLY DISCLAIM ALL IMPLIED WARRANTIES OF CONDITION, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE.

THIS BILL OF SALE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA APPLICABLE TO CONTRACTS EXECUTED AND PERFORMED IN SUCH STATE, WITHOUT GIVING EFFECT TO CONFLICTS OF LAWS PRINCIPLES.

IN WITNESS WHEREOF, Sellers have executed this Bill of Sale as of this 28 th day
of November, 2006.

MIRANT DELTA, LLC

By: Jeffrey S. Russell
Name: JEFFREY S. RUSSELL
Title: PRESIDENT

MIRANT SPECIAL PROCUREMENT, INC.

By: Jeffrey S. Russell
Name: JEFFREY S. RUSSELL
Title: AUTHORIZED SIGNATORY

[SIGNATURE PAGE TO BILL OF SALE]